Remarks

In view of the following remarks, favorable reconsideration of the office action is respectfully requested. Claims 1-20 have previously been canceled. Claims 21-57 remain in this application. Claims 48-57 have been allowed by the Examiner. Claims 21-29, 30-34, and 40-47 have been rejected under 35 U.S.C. §112, first paragraph and claims 21, and 23-46 have been rejected under 35 U.S.C. §103 as being unpatentable for obviousness. The specification has been amended to clarify the meaning of reference designators 10-1, 10, 10-2, 10, and 10-4, 10. *See In re Reynolds*, 443 F.2d 384 (CCPA 1971) cited in MPEP §2163.07(a). The amendment does not add new matter. MPEP §2163.07.

1. Drawings

The Examiner states that elements 10-1 and 10-2 from the drawings are missing from the specification. There are no such elements in the drawings. Elements 10-1, 10 and 10-2, 10 have been added to the specification to clarify their meanings as labeling the embodiments of the invention as shown in FIG. 1a (10-1, 10) and FIG 1d (10-2, 10). Because the elements cited for correction do not exist, applicants respectfully suggest that no change to the drawings is needed in response to paragraph 4 of the Office Action.

(p) Numbers, letters, and reference characters.

(1) Reference characters (numerals are preferred), sheet numbers, and view numbers must be plain and legible, and *must not be used in association with brackets or inverted commas, or enclosed within outlines, e.g., encircled.* They must be oriented in the same direction as the view so as to avoid having to rotate the sheet. Reference characters should be arranged to follow the profile of the object depicted.
(2) The English alphabet must be used for letters, except where another alphabet is customarily used, such as the Greek alphabet to indicate angles, wavelengths, and mathematical formulas.
(3) Numbers, letters, and reference characters must measure at least.32 cm. (1/8 inch) in height. They should not be placed in the drawing so as to interfere with its comprehension. Therefore, they should not cross or mingle with the lines. They should not be placed upon hatched or shaded surfaces. When necessary, such as indicating a surface or cross section, a reference character may be underlined and a blank space may be left in the hatching or shading where the character occurs so that it appears distinct.
(4) The same part of an invention appearing in more than one view of the drawing must always be designated by the same reference character, and the same reference character must never be used to designate different parts.
(5) Reference characters not mentioned in the description shall not appear in the drawings. Reference characters mentioned in the description must appear in the drawings. (37 C.F.R. 1.84(p), italics added for emphasis).

The Examiner objects to the drawings as allegedly failing to comply with 37 C.F.R. §1.84 (p) regarding elements 10-1, 10-2. Elements 10-1 and 10-2 do not exist. Elements 10-1, 10 and 10-2, 10 are unique reference designators that do not include brackets, inverted commas, nor are they enclosed within outlines. They are used to uniquely identify the same part of an invention. When they appear in more than one view of the drawing (for example, 10-1, 10 in FIGs. 1a, 1b, and 1c) the reference designators always are designated by the same reference character and the same reference character is never used to designate different parts. The Examiner has erroneously taken the reference designator 10-1, 10 as two separate designators.

The Examiner is correct in noting that that the choice of this form of permissible labeling is intended to convey various embodiments of the invention, but it is incorrect to then condemn the form as comprising two separate elements as non-compliant with 37 C.F.R. §1.84 (p)(4), which requires unique reference designators. The designator "10-1, 10" is unique and is not used for any other purpose than to refer to same part of the invention appearing in more than one view of the drawing and always be designated by the same reference character.

With regard to reference designator 10-4, the Specification has been amended to more concisely refer to unique reference designator "10-4, 10" in all instances where "10-4" was previously used.

While applicant's use of commas in creating unique reference designators for the drawings may not be the most common style or form of labeling, it is completely within the law as set forth in 35 C.F.R. §1.84. Further explained in applicants' response of August 16, 2004, amending the drawing labeling would actually reduce the information content of the reference numerals. Applicants believe that the drawings fully comply with the patent rules and laws and respectfully request that the Examiner withdraw the Examiner's objection to the drawings.

2. §112 Rejections

The Examiner has rejected claims 1-29, 30-34, and 40-47 under 35 U.S.C. §112, first paragraph, as allegedly failing to comply with the written description requirement:

> 7. Claims 1-29, 30-34, and 40-47 are rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. Regarding claim 1, the Applicant does not disclose the support of the exactly claimed limitation 'a' and limitation 'b'. Specifically, the Applicant does not show the support of the first type and the second type of card identification and the control circuit that is designed to work with the two types of identification card (This also apply to claims 30 and 40). Claims not specifically addressed depend from indefinite antecedent claims. (Office Action, paragraph 7).

Claims 1-20 were previously cancelled without prejudice or disclaimer; therefore applicants' remarks regarding this rejection are made with respect to claims 21-29, 30-34, and 40-47. These rejections are respectfully traversed as improper.

Independent claim 21 calls for a card reader apparatus for reading and validating information encoded on an identification card, said apparatus comprising:
(a) a local housing terminal having a display, and also having a data input unit including an optical reader for reading a first type of identification card having cardholder identity information encoded in bar code symbols, said data input unit further including a credit card reader for reading a second type of identification card having cardholder identity information encoded on a magnetic stripe or a smart card; (b) a processor system for receiving signals from said data input unit, said processor system comprising: an I/O bus; a memory; and a control circuit connected to said I/O bus and said memory for decoding said signals received from said data input unit in accordance with predetermined control operation parameters in order to recognize said first or second type of identification cards, and for comparing said identity information with correlated cardholder information stored in an external non-volatile database.

> The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention. (35 U.S.C. §112, first paragraph).

The Examiner alleges that the Applicant's Specification does not support the first type and the second type of card identification and the control circuit that is designed to work with the two types of identification card[s]. It is very difficult to understand this rejection based on the large number of references to types of identification cards, including many specific examples. The same applies to the description of the control circuit. To cite every instance in the disclosure regarding the variety of types of cards discussed and the description of the control circuit would require copying most of the Specification herein. For brevity, applicants refer to exemplary references to these elements in the Specification. Applicants believe that sufficient support is demonstrated by the exemplary references and that a recitation of each and every reference to "types of identification cards" and to the "control circuit" would be redundant. Applicants are however, willing to provide such a comprehensive list if requested.

On page 17, a card type having a magnetic stripe is disclosed. (Specification, page 17, lines 9-17; FIG. 1i, reference character 16 (a card with a magnetic stripe is shown being swiped through a magnetic card reader)).

On page 18, cards having various types of cards having optically readable characteristics are disclosed including such factors as the type of print, card dimensions, the grey scale, the print size, symbol size, and the symbology type of symbols on the card. (Specification, page 18, lines 11-13).

A specific example of type of card is given on page 22 in the form of an identification card issued by New York State. (Specification, page 22, lines 3-15).

Other types of cards can include optically readable features such as a plurality of symbols, a limited number of OCR characters on the card, a color of the card, size of the card, transmittance of the card, grey scale characteristic of the card or an image on a section of the card. (Specification, page 23, lines 7-14).

Various types of cards can include 1D or 2D symbols, including 128 symbols and PDF symbols. (Specification, page 25, lines 9-20).

Other types of cards can use DataMatrix, MaxiCode, and PDF symbols such as symbol 16s1. (Specification, page 26, lines 5-8).

Still other types of cards can utilize the Kodak IVS system, whereby images can be stored in 2D bar code symbol, magnetic stripes and/or smart cards. Utilizing this technology, photographs e.g., 16p, can be also be decoded and expressed as data messages. (Specification, page 30, lines 1-8).

These are but a few of the many references in the Specification to cards that can be of a first type or of a second type (as distinguished from the first type) in claim 21. The same arguments regarding card types also apply to independent claims 30 and 40.

Regarding the control circuit, information regarding suitable hardware to carry out the various functions of this block in full, clear, concise, and exact terms for one skilled in the art to carry out the invention has been disclosed. A list of exemplary disclosure in the form of support for the control circuit follows:

In one embodiment, control circuit 40 includes a reader control circuit 40-1 and an integrated host control circuit 40-2. (Specification, page 7, lines 1-3, FIG. 2). The various components of control circuit 40 can comprise ASICs, VLSI digital chips, and / or off the shelf microprocessors. (Specification, page 9, lines 3-16).

The division of function between computer related hardware (40-1 and 40-2) can be varied in different embodiments depending on the computational power available and the degree of dedicated functional programming as in application specific ICs (ASICs). (Specification, page 9, line 17 – page 10, line 1).

In one embodiment, control circuit 40 may first display a prompt prompting the operator to enter the card type (such as jurisdiction designation of the card) or may preliminarily determine the card type (the jurisdiction designation) by preliminary analysis of the card such preliminary analysis may encompass e.g. color analysis, grey scale analysis, size analysis, font analysis, symbol analysis, or partial frame image analysis of the card. (Specification, page 18, line 15 – page 19, line 2).

Control circuit 40 may be adapted to display prompts on display 12 indicating the proper tray height for a particular card or application. In the case of a tray whose height is automatically adjusted by a motor force, control circuit 40 may automatically adjust the height of tray 15 to an appropriate height by way of control signals input to the motor providing the motor force. (Specification, page 19, lines 13-19).

At block 114 control circuit 40 determines a card type variable operation parameter from a lookup table such as lookup table 140. Lookup table 140 includes card types correlated with at least one operation parameter. (Specification, page 22, lines 16 – 19).

Control circuit 40 may automatically determine the card type at blocks 111 and 113, for example, by decoding one symbol on the card out of a plurality of symbols, decoding a limited number of OCR characters on the card, color analysis of the card, size analysis of the card, transmittance of the card, grey scale analysis of the card or by image analysis corresponding to a section of the card. (Specification, page 23, lines 7-14).

In another aspect of the invention, control circuit 40 is adapted to display on display 12 which prompts a user to take certain action relative to reader 10 and/or card 16 in the event of card reading failure. (Specification, page 23, lines 15 – 18).

Control circuit 40 may be adapted to execute one or more routines in order to check the authenticity or validity of the card. (Specification, page 24, lines 6-8).

Control circuit 40 at block 120 displays on display 12 a prompt such as "PLACE CARD IN TRAY RIGHT SIDE UP" in order to prompt a user to place card 16 in tray 15 right side up. Control circuit 40 at block 122 then decodes the dataform of the top side of the card. (Specification, page 24, lines 19-24).

At block 126 control circuit 40 decodes the decodable dataforms of the bottomside surface of the card 16. (Specification, page 25, lines 7-8).

At block 128 control circuit 40 compares the decoded data of at least one topside dataform (in the case given the decodable character data) with the decoded data of at least one bottomside dataform ... (Specification, page 25, lines 10-15).

Control circuit 40 may further analyze multiple dataforms of a single card side (i.e. symbol 16s1 and symbol 16s2) and display an "INVALID CARD" prompt on display 12 in the case of a mismatch. (Specification, page 26, lines 1-4).

The above mentioned examples of disclosure regarding control circuit 40 are but exemplary citations that show ample support for the control circuit in the claims. Significantly more disclosure regarding support for control circuit 40 can be provided if requested. Applicants believe that there is more than sufficient disclosure regarding card types and control circuit 40. Applicants further believe this rejection to be improper and respectfully request that it be withdrawn.

The Examiner further alleges that "claims not specifically addressed" depend from indefinite antecedent claims. (Office Action, paragraph 7). It is impossible to address such an indefinite rejection. There is simply no way for applicants to understand a concern regarding an issue or claim "not specifically addressed." Following the above discussion regarding support for the claims in question, it is believed that that this sentence of the Office Action is no longer of significance. However, if the Examiner still believes that there are additional matters related to section 112, the Examiner is respectfully requested to specifically state those concerns by claim number and to cite the specific language in question.

3. §103 Rejections

The Examiner has rejected claims 21, and 23-46 under 35 U.S.C. §103 as being unpatentable for obviousness over U.S. Patent No. 6,705,531 to Norton (hereinafter Norton) and U.S. Patent No. 6,601,045 to DePietro (hereinafter DePietro). These rejections are respectfully traversed as improper.

Independent claim 21 calls for a card reader apparatus for reading and validating information encoded on an identification card, said apparatus comprising:
(a) a local housing terminal having a display, and also having a data input unit including an optical reader for reading a first type of identification card having cardholder identity information encoded in bar code symbols, said data input unit further including a credit card reader for reading a second type of identification card having cardholder identity information encoded on a magnetic stripe or a smart card; (b) a processor system for receiving signals from said data input unit, said processor system comprising: an I/O bus; a memory; and a control circuit connected to said I/O bus and said memory for decoding said signals received from said data input unit in accordance with predetermined control operation parameters in order to recognize said first or second type of identification cards, and for comparing said identity information with correlated cardholder information stored in an external non-volatile database.

According to the **MPEP §2143**, three basic criteria must be met to establish a *prima facie* case of obviousness. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all of the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). It is the prior art itself, *and not the applicant's achievement*, that must establish the obviousness of the combination. *In re Dance*, 160 F.3d 1339 (Fed. Cir. 1998) (italics added for emphasis). To prevent the use of hindsight based on the invention, an Examiner (and therefore the Board) is required to show a motivation to combine the references in cases of obviousness rejections. *In re Rouffet*, 149 F.3d 1350 (Fed. Cir. 1998). Most if not all inventions arise from a combination of old elements. *In re Werner Kotzab*, 217 F.3d 1365 (Fed. Cir. 2000). [Mere] identification in the prior art of each individual part claimed is insufficient to defeat patentability of the whole claimed invention. *Id.*

There is no suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings and claim limitations are missing. The Examiner references Norton FIG. 6B, element 10 as a "data input unit including an optical reader (smartcard reader including the optical reading ability)". This statement represents an incorrect reading of Norton. According to Norton, an optical smart card reader embodiment of the Norton smart card reader can be used in combination with an optical smart card 70 as illustrated in FIG. 7B for communicating with the optical smart card 70 by way of an infrared communication link, for example. (Norton, col. 12, lines 9-14). This mechanism of transmitting data from a smart card to another device appears to have no connection whatsoever to an "optical reader for reading a first type of identification card having cardholder identity information encoded in bar code symbols" as called for in claim 21. In fact applicants are unable to find any reference in Norton to an optical reader for reading a

first type of identification card having cardholder identity information encoded in bar code symbols. An obviousness rejection must comprise all of the claim limitations. *In re Vaeck*. The claim limitation of an "optical reader for reading a first type of identification card having cardholder identity information encoded in bar code symbols" is missing; therefore, the rejection is believed to be improper.

Even if Norton did have an optical reader for reading bar coded symbols, the Examiner's legal reasoning for an obviousness rejection is also in error.

> Modifying Norton's method of card reading apparatus according to DePietro would able to further providing the interaction between the user and the card identification by providing the housing terminal with the display. This would improve processing and therefore, it would have been obvious to one of the ordinary skill in the art to modify Norton according to DePietro. (Office Action, paragraph 9).

The Examiner, having found most of the claim limitations of the claims in two references explains why it would be advantageous to combine them according to the invention and then states, therefore it would have been obvious to one skilled in the art to do so. This is an incorrect representation of the law of obviousness. A teaching, suggestion, or motivation to combine the references cannot be established by the recitation of select advantages exhibited by an applicants' invention. It is the prior art itself, *and not the applicant's achievement*, that must establish the obviousness of the combination. *In re Dance*.

Regarding claims 23 – 29, claims 23 - 29 are dependent claims of claim 21 and therefore include the limitations of the claim 21 from which they depend. Since all of the limitations of claim 21 have not been found in either of the references or in the combination of the references, neither Norton nor DePietro or the combination of Norton and DePietro render claims 23-29 obvious.

Regarding claims 30 to 39, the Examiner relies on the erroneous interpretation of Norton made with respect to claims 21 to 29. Claim 30 calls for an "integrated card reader apparatus includes an optical reader for detecting and reading bar code symbols." As has

now been established, Norton does not disclose the limitation of an optical reader for reading bar code symbols. Therefore neither claim 30 nor claims 31 to 39 are rendered obvious by Norton or the combination of Norton and DePietro.

Regarding claims 40 to 47, the Examiner again relies on the erroneous interpretation of Norton made with respect to claims 21 to 29. Claim 40 calls for "a local transaction terminal having data input apparatus capable of reading information from a cardholder identification card, said transaction terminal including a display monitor for displaying selected transactional information, a first card reader for detecting and reading data formatted in a first type of identification card, and a second card reader for detecting and reading data formatted in a second type of identification card." Norton does not disclose the limitation of a second card reader for detecting and reading data formatted in a second type of identification card. Therefore neither claim 40 nor claims 40 to 47 are rendered obvious by Norton or the combination of Norton and DePietro.

4. Conclusion

Applicants believe the pending claims of the above-captioned application as amended are in allowable form and patentable over the prior art of record. The Examiner has not found all of the limitations of the claims in the cited references, nor has the Examiner shown any permissible reason why the cited references should be combined to support an obviousness rejection. Neither Norton, DePietro, nor Terrell, nor any combination of the references offer any teaching, suggestion, or motivation to combine the references to arrive at the instant invention.

Applicants respectfully request reconsideration of the pending claims 21-57 and a prompt Notice of Allowance thereon.

The Office is hereby authorized to charge any necessary fee or surcharge with respect to this Amendment to the deposit account of the undersigned firm of attorneys, Deposit Account No. 50-0289.

Please direct any questions or comments to George S. Blasiak at (315) 425-9000.

Respectfully submitted,

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